

TUITION ASSISTANCE - EMPLOYEE CERTIFICATION STATEMENT OF JOB RELATEDNESS FOR INCOME TAX PURPOSES

Background

Federal law requires the State of Vermont to report certain employer-provided tuition assistance as taxable income to the employee and to withhold applicable taxes. Per the Internal Revenue Service, employer-provided tuition assistance in excess of \$5,250 in a calendar year is generally considered taxable to the employee, **when** it does not qualify as job-related under the working condition fringe benefit section of the Internal Revenue Code.

Instructions

Purpose: Form is used in determining whether <u>department provided tuition assistance</u> is taxable or non-taxable to the employee. Departments are responsible for ensuring this form is completed prior to any commitment or payment of funds.

Who Must Use this Form: Employees applying for tuition assistance from their department; the employee completes Sections 1-5 and submits it to their supervisor to complete Sections 6 and 7.

Section 1:	EMPL	OYEE INF	FORMATIC	ON			
EMPLOYEE NAME						EMP ID	
DEPARTMENT				POSITION			
Section 2:	EDUC	ATION IN	IFORMATI	ION			
COURSE(s) TITLE							
EDUCATIONAL INSTITUTION		ITUTION					
	ESTIMATED COST (State share only)		PAYMENT Employee Reimbursement METHOD Direct Payment by Dept. to Educational Instit.				
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check if the education prepares you for an entirely different type of job, business or trade that is unrelated to your current vocation. Do not check if the education is intended to prepare you for an increase in job duties, promotion, etc. within your current vocation.

Based on the answers provided in Section 3 above, is the following condition met?
❖ Box A.1 or A.2 is checked, <u>AND</u> Box B.3 is checked
YES
Course is job-related and non-taxable.
□ NO
Course is NOT job-related under IRS regulations. The total amount of <u>non-job-related</u> tuition assistance received by you from the State of Vermont (whether reimbursed or direct paid to the educational institution) in excess of \$5,250 per calendar year (<i>current limit per IRS guidance</i>) will be reported as taxable income and applicable taxes withheld.
Section 5: EMPLOYEE CERTIFICATION
I certify that I have completed this form in good faith and understand that I may be required to supply additional information to confirm job relatedness. I understand that the taxability of any tuition assistance is subject to final determination by the Internal Revenue Service (IRS), and accept full tax responsibility for any educational assistance deemed to be taxable by the IRS.
Employee Signature and Date
Section 6: SUPERVISOR APPROVAL (or appropriate department employee)
I have reviewed and concur* with the information provided by the above-name employee on this form.
Supervisor Signature and Date
Printed Name & Position Title:
* If you do not concur, then return form to employee to resolve any discrepancies prior to approving.
Section 7: FORM DISTRIBUTION
Supervisor is responsible for distributing the completed form as follows:
i. Return original completed form to Employee - for retention along with course description materials, etc.
ii. If the NO box is checked in Section 4then a copy of the form must be submitted (mail, email or fax) to:
VTHR Operations -Payroll 120 State St, Montpelier, VT 05620-2504
Email: VISION-payroll@state.vt.us Fax: 802-828-2435
Optional: At the discretion of department management, submit a copy to the department's business office.
Reserved for VTHR Operations Use Only Form has been reviewed for completeness and recorded in VTHP Operations Employee Tuition
☐ Form has been reviewed for completeness and recorded in VTHR Operations Employee Tuition tracking system.
VTHR Operations Employee Name & Date:

Section 4: TAX TREATMENT